

# **FISCAL NOTE**

## **SB 1142 - HB 1331**

March 14, 2003

**SUMMARY OF BILL:** Provides that for all non-worker's compensation insurer insolvencies, the property and casualty guaranty association shall be obliged for the amount of a covered claim over \$100 and less than \$200,000. Under current law, the maximum is \$100,000.

### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenues - \$275,000**

Estimate assumes that there will be a 10% increase in the amount paid from the guaranty association under the provisions of this bill. A greater amount paid from the association will result in an increase in the amount that insurance companies must pay to the association. Any monies paid to the association by an insurance company are taken as a credit against the premium tax that insurance companies must pay.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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